



Electricity Oversight Board

Daily Report for Sunday, May 25, 2003

On Sunday, the average zonal price was at its lowest value for year-to-date, with SP15 at \$2.53/MWh and NP15 at \$2.42/MWh. Congestion on Path 26 in the North-to-South direction occurred for an hour that resulted in a split for the average zonal prices. Despite increased unplanned generation from 3,800 MW on Saturday to 4,400 MW on Sunday, the lower prices were mainly due to:

- Lower weekend demand.
- Cooler weather conditions. Temperatures in San Francisco and Northern California dropped by roughly 10 degrees from Saturday. Temperature in Southern California was around 70 that was lower than the previous day between 1 and 5 degrees.
- Over-generation. The CAISO requested decremental energy bids in the amount of 750MW for the hours between 3:00 a.m. and 6:00 a.m., by 1,200 MW for the hours between hours 7 a.m. and 8 a.m., and by 1,000 MW for 9 a.m.
- Lower natural gas price. On Friday, the average natural gas price dropped by five percent to \$5.43/MMBtu on Friday down from \$5.71/MMBtu on Thursday.

The price spikes for hours 11 a.m., 3 p.m., and 9 p.m. were due to higher prices associated with decremental energy bids for those hours. The CAISO day-ahead forecasts were above actual scheduled load, which required the CAISO to sell back generation at a cost reflected.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

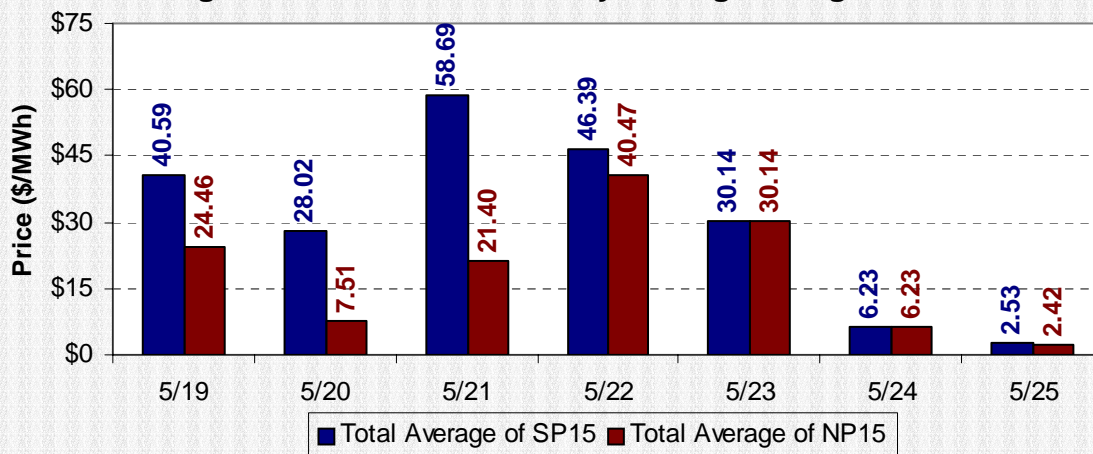
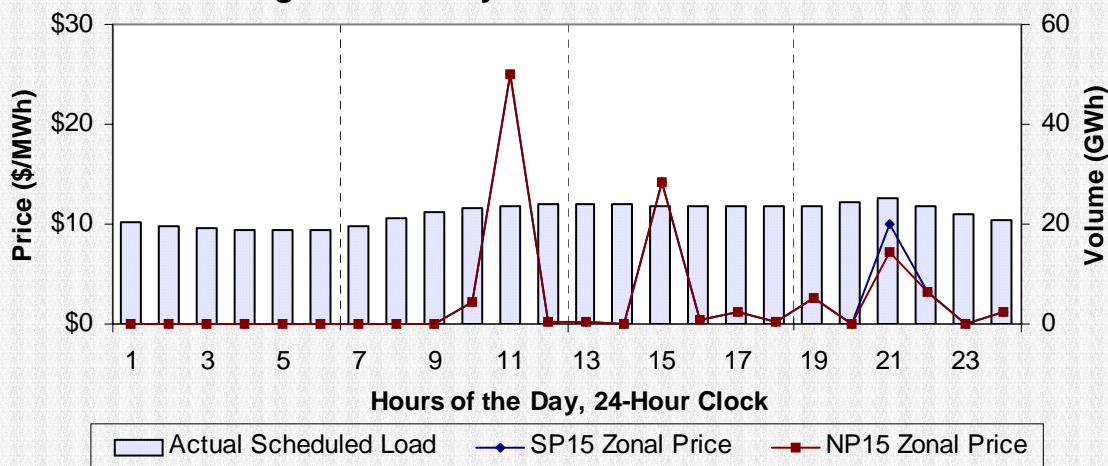


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

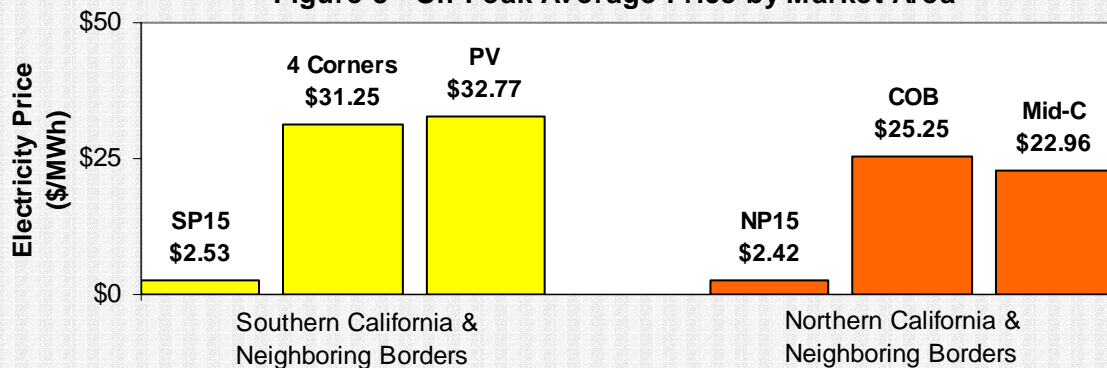


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

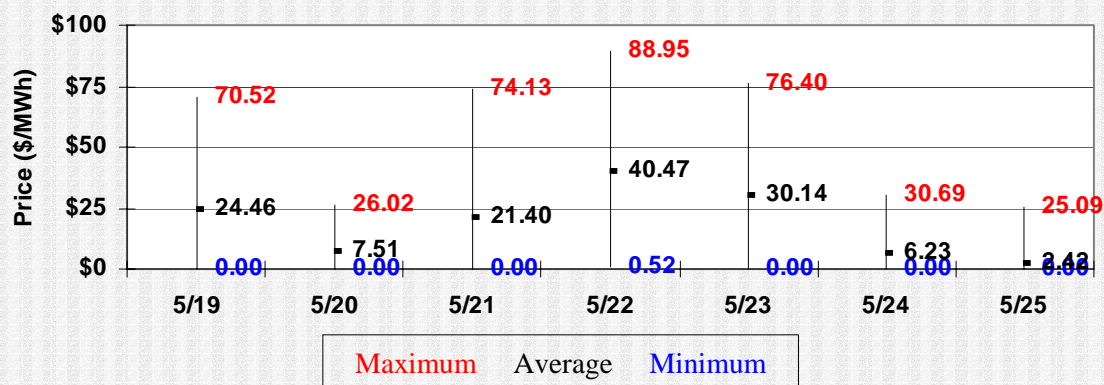


Figure 5 - Average Natural Gas Price

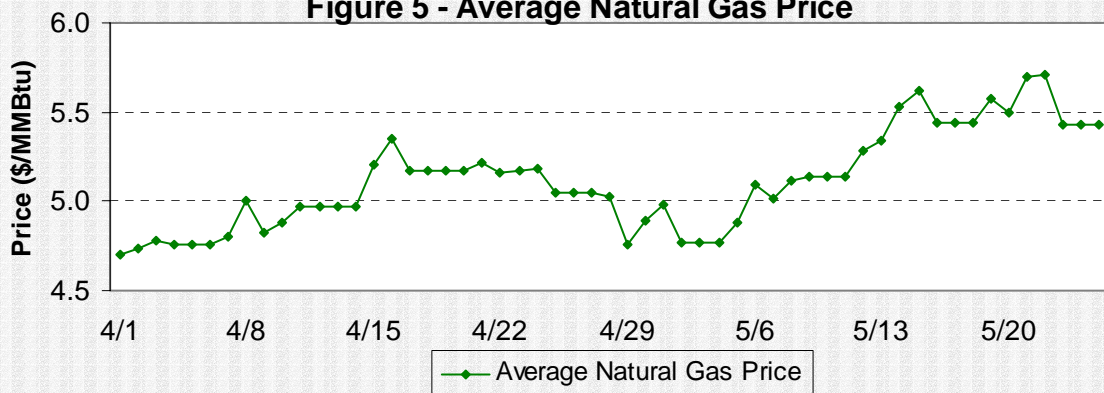


Figure 6 - Average Daily Zonal Price & Total Actual Load

